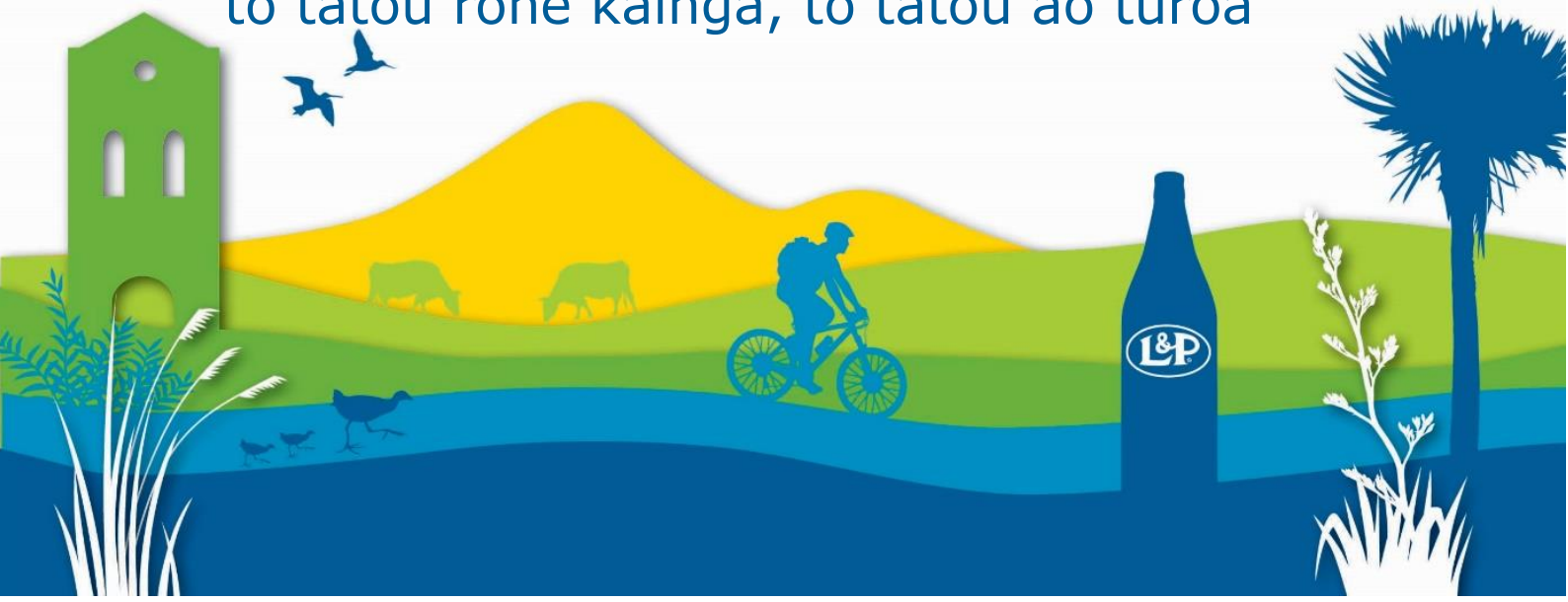




July 2021  
Members'  
Remuneration,  
Allowances and  
Expenses Policy

our home, our future  
tō tātou rohe kāinga, tō tatou ao tūroa



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## 1. Introduction

- 1.1. This Members' Remuneration, Allowances and Expenses Policy (policy) sets out the Hauraki District Council's decision on remuneration and entitlement of members to allowances and contributions towards expenses during their term of office. It is made in accordance with the Local Government Act, 2002 (the Act).
- 1.2. The Local Government Act 2002 provides for the Remuneration Authority (the Authority) to determine the remuneration, allowances, and rules for reimbursing expenses incurred by all local authority members.
- 1.3. The Authority undertakes a review of the settings for member remuneration and allowances, in consultation with councils. Following this review, an annual determination is then issued prior to 30 June each year, which may result in adjustments for to the level of remuneration received.<sup>1</sup>
- 1.4. The attached schedule of remuneration is updated annually to reflect the latest determination issued by the Authority.
- 1.5. Allowances set by the Authority are reviewed annually and are entirely at the discretion of Council within the limits set by the Authority.
- 1.6. Council approved allowances must be included in this policy and published on Council's website.
- 1.7. Actual and reasonable expenses incurred by members while undertaking Council business will be reimbursed in line with this policy.

## 2. Objective

- 2.1. This policy ensures that all remuneration and allowances paid to members are in accordance with the Remuneration Authority determination and rules for the appropriate year.

## 3. Policy Principles

- 3.1. The payment of allowances and expenses to Members by Hauraki District Council is made in accordance with the Auditor General's guidance for a principles based approach for sensitive expenditure.
- 3.2. The principles are that expenditure decisions:
  - have a justifiable business purpose;
  - preserve impartiality;
  - are made with integrity;

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<sup>1</sup> These adjustments may take account of data collected by the State Services Commission on public and private sector remuneration movements, any major legislative changes in the role of members and feedback from the sector.

- are moderate and conservative, having regard to the circumstances;
- are made transparently; and
- are appropriate in all respects.

The Controller and Auditor-General has issued a Good Practice Guide 'Controlling Sensitive Expenditure: Guide for Public Entities' in October 2020. A series of helpful videos are also available at <https://oag.parliament.nz/good-practice/sensitive-expenditure/videos>

## 4. Remuneration

- 4.1. The Mayor shall receive remuneration as determined by the Remuneration Authority, outlined in Appendix 1.
- 4.2. The Remuneration Authority sets a Governance Pool which is the total amount that can be paid in remuneration to members', and a minimum allowable remuneration for each member. Council must make a formal decision as to how the Governance Pool is allocated according to roles and additional responsibilities held by members' including ward chair and Committee chair roles. The allocation of the Governance Pool is outlined in Appendix 1, as recommended by Council and approved by the Remuneration Authority.
- 4.3. Members' who sit on resource management or district plan hearings receive meeting fees as determined by the Remuneration Authority, outlined in Appendix 1.
- 4.4. Members' will not receive any additional remuneration for their roles on Council Committees, Subcommittees beyond that outlined in Appendix 1.
- 4.5. Members' appointed Directors of Council Owned Organisations (CCOs) may receive remuneration in accordance with Council's 'Directors of Council Organisations Policy'.

## 5. Allowances

- 5.1. Any allowances not currently included in this policy will be subject, in the first instance, to the criteria set by the relevant annual determination.
- 5.2. The allowances stated in sections 6 to 19 are available to members.

## 6. Vehicle Mileage Allowance

- 6.1. Members can claim a vehicle mileage allowance to reimburse costs incurred for eligible travel.
- 6.2. A members' travel is eligible for the mileage allowance if:
  - the member is not provided with a vehicle by Council;
  - the member is travelling in a private vehicle;

- the member is travelling on Council business; and
  - the most direct route that is reasonable is taken.
- 6.3. The vehicle mileage allowance is set by the Authority and is reviewed annually. The allowance is based on the rate set by the Inland Revenue.
- 6.4. Any mileage allowance claimed should meet the reasonable additional cost the member incurs by using their own vehicle for travel required on Council business. This includes travel from home to the place of work or other venues required for local authority business.
- 6.5. The current vehicle mileage allowance rate is set out in Appendix 1.
- 6.6. All members (other than the Mayor) claims for vehicle mileage allowance are to be approved by the Business Support Group Manager and Mayor.
- 6.7. Mayoral claims for vehicle mileage allowance are to be approved by the Business Support Group Manager and Mayor.

## 7. Travel Time Allowance

- 7.1. Members can claim a travel time allowance for travelling within New Zealand on Council business.
- 7.2. The Mayor is not eligible for this allowance because the role is deemed to be full time and remuneration set accordingly.
- 7.3. Council will pay the travel time allowance set by the Authority for all eligible travel claimed by an member.
- 7.4. An member's travel is eligible for the travel time allowance if:
- the member is travelling on Council business;
  - the member uses the quickest form of transport that is reasonable; and
  - the most direct route reasonable is taken.
- 7.5. Members cannot claim for the first hour of eligible travel.
- 7.6. The maximum total amount of travel time allowance that an member may be paid for eligible travel in a 24-hour period is eight hours.
- 7.7. An member who resides outside the district boundary is only eligible for a travel time allowance in respect of travel time after the first hour of eligible travel time within the Hauraki District boundaries.
- 7.8. The current travel time allowance rate is set out in Appendix 1.
- 7.9. All claims for travel time allowance are to be approved by the Business Support Group Manager and the Mayor.

## 8. Information and Communications Technology

- 8.1. The Mayor and Members' are provided with a laptop (or similar). Full technical support is provided where related to Council business.
- 8.2. The Mayor is provided with a mobile phone and full payment of all expenses related to the use of the mobile phone.
- 8.3. Council will pay annual allowances in recognition of members' use of personal communication equipment and services for Council business as set out in Appendix 1.

## 9. Child Care Allowance

- 9.1. Members can claim a childcare allowance as a contribution towards expenses incurred by the member for childcare while the member is engaged on Council business.
- 9.2. Members are eligible for the allowance if:
  - they are engaged on local authority business at the time of the childcare;
  - they are the parent or guardian of the child, or usually has day-to-day responsibility for the care of the child; and
  - the child is under 14 years of age.
  - the childcare must be provided by someone who:
    - is not a parent of the child or a spouse, civil union partner, or de facto partner, of the member; and
    - does not ordinarily reside with the member.
    - Members' must provide evidence of the amount paid for childcare.
- 9.3. Eligible members' can claim up to \$6,000 per year for each child if the childcare meets the criteria above.
- 9.4. All claims for childcare allowance are to be approved by Business Support Group Manager and Mayor.

## 10. Expenses

- 10.1. From time to time members incur expenses in their undertaking of Council business which need to be reimbursed. This reimbursement applies only to members personally, and only while they are acting in their official capacity as members.
- 10.2. In incurring and claiming these expenses, members will abide by the principles detailed in Section 3 of this policy.
- 10.3. Any expenses to be reimbursed will be on an actual and reasonable basis and in line with the principles detailed in Section 3 of this policy.

- 10.4. An expense reimbursement form is to be completed and full GST receipts attached for all expense claims.
- 10.5. All expense claims are to be returned to the Executive Assistant - Mayor, Councillors and Business Support, at least quarterly.
- 10.6. All expense claims submitted by members' (other than the Mayor) are to be approved by the Business Support Group Manager and Mayor and will be in line with approved Council budgets.
- 10.7. All expense claims submitted by the Mayor are to be approved by the Business Support Group Manager and Deputy Mayor plus one of the Ward Chairs. Claims will be in line with approved Council budgets.
- 10.8. Council's internal audit work programme will include sampling of allowances and expense claims paid to members.
- 10.9. Any expenses not currently included in this policy will be subject in the first instance to the criteria set by the relevant annual determination.
- 10.10. All expense reimbursements will be made via Council's Accounts Payable system.

## 11. Transport

- 11.1. Taxis or ride sharing services may be used for council business, instead of private vehicles or public transport, for safety or security reasons, or where it is the most appropriate form of transport.
- 11.2. Taxis or ride sharing services should not be used where significant travel distances mean that use of a taxi is not the most cost effective option.
- 11.3. Rental cars may be utilised when attending meetings or conferences in other centres, where this is the most cost-effective travel option.
- 11.4. Costs paid for directly by an member for unanticipated travel will be reimbursed on presentation of actual receipts.

## 12. Air Travel

- 12.1. Council will pay domestic air travel for those members' (other than the Mayor) approved to attend seminars, conferences, training and development courses, or for any other Council business approved by the Mayor.
- 12.2. Council will pay domestic air travel for the Mayor approved to attend seminars, conferences, training and development courses, or for any other Council business approved by the Business Support Group Manager and Deputy Mayor plus one of the Ward Chairs.
- 12.3. All air travel arrangements for members are to be made by the appropriate Council officer in accordance with the principles of this policy.
- 12.4. International air travel by an member is by way of economy class. The approval of Council is required for exceptions.



- 12.5. Council, where appropriate, will pay travel insurance for all domestic and international travel.

## 13. Koru Club

- 13.1. The Mayor and Deputy Mayor will receive an annual membership to the Air New Zealand Koru Club recognising the frequent travel requirements of the roles.

## 14. Mayoral Car

- 14.1. The Mayor will be provided with a vehicle that will also be available for private use. A deduction, set by the Remuneration Authority, will be made from the Mayor's salary to reflect the private use of the vehicle. The Mayor will not be able to claim for vehicle mileage.

## 15. Accommodation

- 15.1. Council will pay accommodation costs for those members' (other than the Mayor) approved to attend seminars, conferences, training and development courses, or for any other Council business approved by the Mayor and Chief Executive.
- 15.2. Council will pay accommodation costs for the Mayor approved to attend seminars, conferences, training and development courses, or for any other Council business approved by the Business Support Group Manager and Deputy Mayor plus one of the Ward Chairs.
- 15.3. All accommodation arrangements for members are to be made by the appropriate Council officer in accordance with the principles of this policy.
- 15.4. Members can claim \$100 per night when staying in private accommodation, to cover accommodation, breakfast and dinner. It is intended that at least a portion of this allowance is paid to the accommodation provider.

## 16. Meals, Beverages and Incidentals

- 16.1. Members can claim actual and reasonable meal costs (including one (1) alcoholic drink with dinner) incurred while the member is engaged on Council business.
- 16.2. Purchases from hotel mini-bars will not be reimbursed.

## 17. Stationery

- 17.1. Council will supply a reasonable amount of paper and printer consumables, and other stationery requirements for Council business.

## 18. Clothing

- 18.1. The Council subsidises an member's uniform and provides health and safety clothing and equipment. Refer to the Council Uniform Policy.

## 19. Specific Events

- 19.1. Executive Leadership Team/ Members Christmas function: The cost of members, and partners of members attending this event will be met by Council. It is a token of appreciation of the contribution that the partners of our members make while their partners are away from home on Council business.
- 19.2. The reasonable costs associated with the partner of the Mayor attending the Local Government New Zealand Annual Conference shall be met by Council.

## 20. Enforcement

- 20.1. The Council is responsible for the enforcement of this policy.

## 21. Related Council policies/strategies or guidelines

- 21.1. Council Uniform Policy
- 21.2. Directors of Council Organisations Policy
- 21.3. Remuneration Authority guidelines and determinations

## 22. Glossary

|                         |   |
|-------------------------|---|
| <b>Actual</b>           | means as evidenced by the original receipt attached to the expenses reimbursement claim form.   |
| <b>Council business</b> | Council business includes: formal Council and Ward Meetings, Committee and Subcommittee Meetings, workshops, seminars, statutory hearings, training courses, site visits, meetings with staff, meetings with community groups, and meetings with members of the public. It does not include events where the primary focus is on social activity. |
| <b>Member</b>           | Means, in relation to Hauraki District Council (HDC), a person who is declared to be elected to HDC under the Local Electoral Act 2001 or who, as a result of further election or appointment under that Act or the Local Government Act 2002, is an office holder in relation to HDC (For example, Mayor or a Councillor)                        |
| <b>Family member</b>    | (In relation to the childcare allowance) a spouse, civil union partner, or de facto partner of the member, or a   |

|   |   |
|---|---|
|   | relative, that is, another person connected with the member within two degrees of a relationship, whether by blood relationship or by adoption.   |
| <b>Hearing</b>                                | Has the same meaning as section 5 of the Local Government Members Determination for the year to which it applies, and includes resource consent hearings; pre-hearing meetings held under section 99 of the Resource Management Act (RMA); a hearing as part of the process of the preparation, change, variation, or review of a district plan; a mediation hearing in the Environment Court as part of an appeal process and a hearing on an objection against a charge fixed by a local authority under section 36 of the RMA. |
| <b>Reasonable</b>                             | Means that it is within the amount specified by this policy or as deemed reasonable by the Mayor and/or Chief Executive.  |
| <b>Remuneration Authority (the Authority)</b> | An independent body established by the Remuneration Authority Act 1977, with responsibilities under the Local Government Act 2002 to determine remuneration and expense/allowance rules for local authority members.  |

## 23. Review

- 23.1. The policy will be updated annually, or as required, for declarations issued by the Remuneration Authority. The Policy itself will be reviewed in its entirety within three years after the first policy is adopted by the Council and then at intervals determined by the Council.

## 24. Document management and control

|                       |  |
|-----------------------|--|
| <b>Title</b>          | Hauraki District Council Member's Remuneration, Allowances and Expenses Policy |
| <b>Sponsor</b>        | Business Support Group Manager   |
| <b>Approved by:</b>   | Council  |
| <b>Adoption date:</b> | 17 June 2021   |
| <b>Review by:</b>     | Annually in line with Remuneration Authority updates.                          |
| <b>File ref:</b>      | 2972286  |

Property of Hauraki District Council

## Appendix 1

As set by the Local Government Members (2021/22) Determination 2021:

### Remuneration

|  |           |
|--|-----------|
| Mayor's Remuneration:                              | \$118,000 |
| Deputy Mayor                                       | \$41,690  |
| Ward Committee Chairperson (3)                     | \$30,719  |
| Emergency Management Chairperson                   | \$28,525  |
| Portfolio Leader (4)                               | \$26,330  |
| Councillor with no additional responsibilities (4) | \$21,942  |
| Councillor (Minimum Allowable Remuneration)        | \$21,710  |

### Fees relating to hearings

|   |                                |
|---|--------------------------------|
| Chairperson of a hearing:   | \$100 per hour of meeting time |
| Member not a chairperson:   | \$80 per hour of meeting time  |
| The Mayor or member acting as Mayor will/will not receive any meeting fees for hearings |                                |

### Information and Communications Technology Allowance

All members, excluding the Mayor, shall receive:

- \$50 p.a. for use of a printer.
- \$200 p.a. for use of a mobile telephone
- \$800 p.a. for internet service
- \$500 p.a. for mobile phone services.

### Annual - Vehicle Mileage Allowance

| Vehicle Type             | First 14,000 km of eligible travel | After 14,000km of eligible travel |
|--------------------------|------------------------------------|-----------------------------------|
| Petrol or Diesel Vehicle | 79 cents per km                    | 27 cents per km                   |
| Petrol Hybrid Vehicle    | 79 cents per km                    | 16 cents per km                   |
| Electric Vehicle         | 79 cents per km                    | 9 cents per km                    |

### Travel time allowance

\$37.50 for each hour of eligible travel time after the first hour of eligible travel time travelled in a day. Maximum of 8 hours in a 24 hour period.



For more information:

- **W** [www.hauraki-dc.govt.nz](http://www.hauraki-dc.govt.nz)
- **E** [info@hauraki-dc.govt.nz](mailto:info@hauraki-dc.govt.nz)
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